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FORTY-FIFTH SESSION

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FIFTH COMMITTEE
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held on
Friday, 14 December 1990
at 10 a.m.
New York

SUMMARY RECORD OF THE 46th MEETING

Chairman: Mr. MAYCOCK (Barbados)

Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. MSELLE

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The meeting was called to order at 11.05 a.m.

AGENDA ITEM 118: PROGRAMME BUDGET FOR THE BIENNIUM 1990-1991 (continued)

Conditions of service and compensation for officials other than Secretariat officials: Chairman and Vice-Chairman of the International Civil Service Commission and Chairman of the Advisory Committee on Administrative and Budgetary Questions (continued) (A/45/7/Add.13; A/C.5/45/21 and A/C.5/45/L.6)

1. Draft resolution A/C.5/45/L.6 was adopted without a vote.

Programme budget implications of draft resolutions A/45/L.34/Rev.1 concerning agenda item 117 (A/C.5/45/72)

2. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that document A/C.5/45/72 indicated that there would be a resumed session of the General Assembly for two weeks in April 1991; however, the duration of the session would now be one week. As the Secretary-General had not requested an additional appropriation, the adoption of draft resolution A/45/L.34/Rev.1 would not entail an additional provision under the programme budget for the biennium 1990-1991, and conference-servicing costs would be absorbed.

3. The CHAIRMAN said that, if he heard no objection, he would take it that the Fifth Committee decided, without a vote, to inform the General Assembly that, should it adopt draft resolution A/45/L.34/Rev.1, no additional appropriation would be required under the programme budget for the biennium 1990-1991.

4. It was so decided.

Optical disc storage and retrieval system (A/C.5/45/58)

5. The CHAIRMAN suggested that the Committee should recommend that the General Assembly should defer to the forty-sixth session consideration of the report of the Secretary-General on the optical disc storage and retrieval system (A/C.5/45/58).

6. He also suggested that the Committee should recommend to the General Assembly that the Advisory Committee should be empowered to authorize the Secretary-General to enter into commitments for additional requirements necessary for 1991, on the understanding that the additional appropriations would have first call on the contingency fund at the forty-sixth session.

7. Mr. BAZAN (Chile) said that the optical disc system offered great advantages and therefore deserved full support. Those advantages should not be confined to the United Nations Offices in New York and Geneva, but should also be extended to the regional commissions. In order to be universally applicable, the system must be compatible with all known computer systems. He therefore proposed that the Secretariat should hold consultations with permanent missions in order to determine their needs. Those consultations should be reflected in a new proposal by the

(Mr. Bazan, Chile)

Secretariat, the financial implications of which should be considered in due course by the Fifth Committee.

8. Mr. MORDACQ (France) said that he had been disappointed by document A/C.5/45/58, which provided little of the information requested by the General Assembly in resolution 44/201 B. Of even greater concern was the fact that, nearly one year after the adoption of that resolution, the Secretariat had made scant progress in the implementation of the system. The bidding process had been initiated only at the end of November 1990; in view of the time needed for the bids to be submitted and examined, a decision could not be reached until some time during the first quarter of 1991, and the firm selected to install the system could not begin work until the following summer.

9. He deeply regretted the Secretariat's delay in implementing a clear General Assembly decision, especially since that decision involved a technical project of recognized sophistication which entailed long-term savings for the Organization. The report of the Joint Inspection Unit (A/44/684) had drawn a particularly positive picture of the results of the pilot project carried out in Geneva, and had requested that the system should be implemented as quickly as possible.

10. The Committee had just learned that the project could not be financed, and that a decision could not be taken at the current session. He found it surprising that it should be so difficult to establish a financing plan for a project estimated at only $1.2 million, especially in view of the rapid adoption at the forty-third session of the Integrated Management Information System, which had involved an amount of $28 million. He also could not understand how the financing of the project could be postponed for another year, since the call for bids had already been issued and a firm was to be selected in early 1991.

11. Mr. KALBITZER (Germany) said that he would appreciate clarification of the Chairman's suggestions. With regard to the contingency fund for the biennium 1992-1993, he questioned whether the General Assembly could take any decision concerning a budget which had not yet been discussed. Lastly, he wondered whether the Chairman had referred to the summary of financial implications in section VII of document A/C.5/45/58.

12. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) noted that the Chairman was suggesting that detailed consideration of document A/C.5/45/58 should be postponed to the forty-sixth session. If the Fifth Committee accepted that suggestion, the Secretary-General could, after the completion of the budgetary process, seek authorization from the Advisory Committee for the necessary resources for the biennium 1990-1991, and it would not be difficult for the Advisory Committee to consider that request.

13. With regard to the question raised by Germany, the contingency fund for the biennium 1992-1993 had not yet been approved by the Fifth Committee for transmission to the General Assembly in the context of the budget outline for the biennium 1992-1993. However, it was the contingency fund for the biennium 1990-1991 which would be relevant.

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14. Mr. BAZAN (Chile) said that he wished to elaborate on his proposal in case consideration of the matter was deferred to the next session, which would be regrettable. Referring to paragraph 19 of document A/C.5/45/58, he said that since many permanent missions had computer systems which were not IBM-compatible, the cost of adapting the missions' systems would be much greater than the cost of installing equipment for the United Nations which was compatible with the missions' systems. He proposed that the Committee should recommend that the Secretariat should be requested to conduct consultations with permanent missions in order to determine the appropriateness of making its computer system compatible with the permanent missions' systems, and to report on the matter to the General Assembly at its forty-sixth session.

15. Mr. FOX (United States of America) said that he regretted that the project could not be fully approved at the current session. He would appreciate confirmation of his understanding that accepting the Chairman's suggestions would not delay the implementation of the optical disc system.

16. Mr. BAUDOT (Director, Programme Planning and Budget Division) said that the Chilean proposal did not raise any problems. With regard to financing, it was the understanding of the Secretariat that in addition to the use of extrabudgetary resources, for which authorization from the General Assembly was not required, there would also be a redeployment of resources from section 1 to section 29. The question whether the Secretary-General would be authorized to enter into further commitments of up to $400,000 would be considered by the Advisory Committee at its spring session of 1991.

17. Mr. PATTERSON (Director and Chief Editor, Editorial and Official Records Division, Department of Conference Services) said that for a number of reasons it had not been possible to report to the Fifth Committee that the project had been fully implemented. Firstly, the pilot project which had been carried out in Geneva had been of limited application and had not provided all the information necessary to proceed with a fully operational project. Such a project could not be implemented for all the major conference centres of the United Nations simply by multiplying the installation at Geneva. Secondly, in 1989 the project strategy had shifted from the storage of documents in image form, through input from optical scanning, to the storage of documents in coded form, through input from word-processing. The problems raised by that shift in strategy had not been considered or resolved during the pilot project, which had been based solely on optical scanning. Nor had the pilot project included the development of indexing systems, which were required for a fully operational system. The objectives of the project had been expanded from reducing storage requirements to improving access to parliamentary documents for a variety of users both within and outside the Secretariat. Lastly, a fully operational system required telecommunications arrangements, which had not been needed during the pilot project.

18. With regard to the Chilean proposal, the Secretariat would consult permanent missions in New York and Geneva and report to the General Assembly on the equipment available to them.

19. Mr. BAZAN (Chile) said that he endorsed the statement made by the representative of the Department of Conference Services with regard to the consultations to be conducted by the Secretariat.

20. Mr. MORDACQ (France) asked whether the effect of the Chairman's suggestions would be that the General Assembly would authorize the Secretariat to commit extrabudgetary funds to the project and to redeploy other resources to section 29, while the question of the remaining resources would be referred to the Advisory Committee at its next session. If so, he would have no difficulty in accepting the Chairman's suggestions or the Chilean proposal.

21. The CHAIRMAN said that the representative of France had correctly understood his suggestions.

22. If he heard no objection, he would take it that the Committee decided, without a vote, to recommend that the General Assembly should defer to the forty-sixth session consideration of the report of the Secretary-General on the optical disc storage and retrieval system (A/C.5/45/58) and request the Secretariat to conduct consultations with permanent missions in order to determine the appropriateness of making the system compatible with those of the permanent missions and to report on that matter to the Assembly at the forty-sixth session.

23. It was so decided.

24. The CHAIRMAN said that, if he heard no objection, he would also take it that the Committee also decided to recommend to the General Assembly that the Advisory Committee should be empowered to authorize the Secretary-General to enter into commitments for additional requirements necessary for 1991, on the understanding that the additional appropriations would have first call on the contingency fund at the forty-sixth session.

25. It was so decided.

26. Mr. TOMMO MONTHE (Cameroon), explaining his delegation's position on the decision just adopted, said that he hoped that there would be no further delays at the next session in the implementation of the project. The questions raised by the representative of France were very appropriate. In view of the scope of the project, Member States should have adequate and timely information, since the greater the delay, the greater the cost.

Conditions of service and compensation for officials other than Secretariat officials: members of the International Court of Justice (A/45/7/Add.10; A/C.5/45/44 and A/C.5/45/L.7)

27. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) introduced the report of the Advisory Committee (A/45/7/Add.10). Referring to the report of the Secretary-General (A/C.5/45/44), he said that the members of the International Court of Justice believed that grounds existed for structural changes in salaries. Their views, which were set out in paragraph 14 of the report, had been conveyed to the General Assembly.

(Mr. Mselle)

28. The Advisory Committee had carefully studied the Secretary-General's proposals set out in his report, and had decided that adoption of all the proposals might impinge on the sui generis nature of the salaries and allowances of members of the Court. Its reservations in that regard were set out in paragraph 12 of its own report (A/45/7/Add.10), in which it emphasized that the system of emoluments and conditions of service applicable to members of the Court should be simple and distinct from any other in the United Nations system. In keeping with that belief, the Advisory Committee had made a number of appropriate recommendations.

29. Turning to the draft resolution on the subject, submitted by the Chairman in document A/C.5/45/L.7, he noted the recommendation in section A that the annual salary of the members of the Court should be raised to $145,000 from its current level of $82,000, but pointed out that the new figure did not include any cost-of-living (COL) adjustment. As indicated in paragraph 9 of the Secretary-General's report under the current system in January 1991 the total annual remuneration of judges would amount to $107,000. The draft resolution also proposed the retention of the system of floor/ceiling measures introduced under General Assembly resolution 43/217, as indicated in paragraph 3. Since the COL adjustment system had been dispensed with, it was also decided to review emoluments and other conditions of service after three years, instead of every five years, as previously.

30. Section B of the resolution described the proposed pension scheme for members of the Court. In line with the Advisory Committee's recommendations, it had been decided that judges' pensions should no longer be expressed as a percentage of base salary but should be set at $50,000 a year for judges elected to serve nine years, with an incremental system to a ceiling of $75,000 per year.

31. Section C of the draft resolution stipulated the terms of reimbursement for education costs, including those incurred for disabled children.

32. The Advisory Committee hoped that the draft resolution would be adopted by consensus.

33. Mr. CLAVIJO (Colombia) said that it was in the interest of all Member States to increase respect for members of the Court by ensuring that they received appropriate remuneration. The right financial incentives must also be offered in order to attract individuals with the best possible qualifications, with experience and with probity, and in order to compensate them adequately for their relatively long periods of service and for the sacrifices which they had to make. The proposed salary increments met the criteria applied throughout the United Nations system in order to guarantee competitiveness of salaries. That administrative principle should not, however, be seen as the institutionalization of benefits for a small élite but, rather, as an effort to establish an equitable system of reward for services rendered to the Organization at the highest levels.

34. Colombia wished to stress the importance of the continuous renewal of officials in high-level positions, which must not be monopolized by certain

(Mr. Clavijo, Colombia)

individuals or countries. Subject to those comments, his delegation supported the draft resolution.

35. Mr. SPAANS (Netherlands), supported by Mr. CAVAGLIERI (Italy), said that he endorsed most of the points raised by Colombia. Appropriate remuneration of members of the Court was conducive to professionalism.

36. Mr. OSELLA (Argentina) said that his delegation joined Colombia in agreeing with the Secretary-General that a structural change in the emoluments in question was justified. It also accepted the Advisory Committee's recommendations, particularly those set out in paragraphs 13 and 15 of document A/45/7/Add.10.

37. Mr. BENNETT (United States of America) said that there was little justification for the proposed increases in emoluments and lavish benefits accorded to members of the Court, in view of the limited services provided by the Court, which were not comparable with those performed by the United States Supreme Court. Furthermore, the arguments in justification of those emoluments put forward by the Court itself were a form of lobbying and should not have been included in document A/C.5/45/44. The conclusions set out in paragraph 18 of the Secretary-General's report were therefore not warranted, and the proposed increments would only be conducive to the promotion of élitism. He hoped, moreover, that staff representatives would take note that the United States did not limit its concerns on the issue of productivity to the Department of Conference Services. In order to give the proposals due consideration, he would appreciate further details from the Secretariat on the Court's work-load.

38. With reference to the historical argument adduced in paragraph 15 of the Secretary-General's report, his delegation believed that references to the League of Nations were both irrelevant and surprising. In addition, the United States had technical doubts about the demands for an increase in pay and benefits and wondered whether the proposed salary level took into account the cost of domestic service at The Hague, noting that such costs were factored into the pay-rates of senior United Nations officials.

39. He noted that members of the Court and their close relatives were still entitled to first-class air travel, despite the elimination of that privilege for most United Nations officials. The United States therefore proposed amending draft resolution A/C.5/45/L.7 by means of the addition of a fourth operative paragraph at the end of section C which would read: "Decides that the air-travel standard of members of the Court and their close relatives shall be limited to the class immediately below first class". In addition, he noted that article 16 of the Court's Statute prohibited members of the Court from engaging in any other occupation of a professional nature. He recommended, therefore, that the Court should take appropriate steps to prevent such activities, and that the members of the Court should report on any outside income from teaching or publishing.

40. Subject to the inclusion of the proposed additional paragraph and with the reservations he had expressed, the United States was prepared, with great reluctance, to accept the draft proposal.

41. Mr. LAOUARI (Algeria) said that the Advisory Committee's recommendations represented a reasonable balance between the Secretary-General's proposals and the need to strengthen the Court's effectiveness. His delegation therefore supported draft resolution A/C.5/45/L.7.

42. Mr. ADEYEMI (Nigeria) said that his delegation concurred with the recommendations in paragraphs 13 and 15 of the Advisory Committee's report.

43. Mr. BAUDOT (Director, Programme Planning and Budget Division), responding to the request for clarification from the United States, said that there were eight cases currently before the Court. Previously, the Court had heard three cases per year over a period of six years. Its work-load was therefore significantly heavier.

44. Mr. INOMATA (Japan) said that his delegation was puzzled by the reservations expressed by the representative of the United States. Japan endorsed the Advisory Committee's view that the conditions of service of members of the Court should be based on recognition that their service was sui generis. If criteria for higher emoluments were required, however, they should be derived not from the conditions of service of international civil servants but from those of senior national and international judicial officials. The Secretary-General's report furnished ample evidence of the need to raise the emoluments of the members of the Court to an adequate level. He appealed, therefore, to the United States to reconsider its opinion and to support the adoption of the draft resolution without amendment.

45. Mr. BENNETT (United States) said that, while his delegation still maintained that the proposed emoluments represented an exorbitant use of United Nations funds, it was prepared, for the sake of reaching a consensus, to withdraw its proposal for the time being.

46. Draft resolution A/C.5/45/L.7 was adopted without a vote.

47. Mr. KINCHEN (United Kingdom), explaining his delegation's position on the draft resolution just adopted, said that, although the United Kingdom welcomed the adoption of the draft resolution, it did have some concerns about procedure, since the resolution had been circulated at a late stage. The fact that his delegation was not invoking the relevant rule of the rules of procedure should not be taken as a precedent.

48. The question of terms and conditions for senior personalities serving the United Nations was one most appropriately dealt with, as a matter of general principle, on the basis of the Advisory Committee's recommendations. His delegation had in the past voiced concerns about the work-load of the Court's support staff. In that connection, at the current stage he simply wished to comment that the work-load might be greater if all Member States accepted the Court's compulsory jurisdiction.

Programme budget implications of draft resolution A/C.3/45/L.44 concerning agenda item 108 (A/C.5/45/64)

Implementation of the Global Programme of Action on drug abuse control (A/45/7/Add.11; A/C.5/45/27)

49. Mr. MSELLE (Advisory Committee on Administrative and Budgetary Questions), introducing the report of the Advisory Committee on the implementation of the Global Programme of Action on international co-operation against illicit production, supply, demand, trafficking and distribution of narcotic drugs and psychotropic substances (A/45/7/Add.11), referred delegations to General Assembly resolution S-17/2, which contained the Political Declaration and the Global Programme of Action. On the basis of the Global Programme of Action, the Secretary-General had prepared the United Nations System-Wide Action Plan on Drug Abuse Control, which had been considered by the Committee for Programme and Co-ordination (E/1990/39 and Corr.1 and 2 and Add.1). In addition, there was the report of the Secretary-General on the enhancement of the efficiency of the United Nations structure for drug abuse control, in document A/45/652 and Add.1. The annex to document A/45/652/Add.1 contained the report of the Group of Experts to advise and assist the Secretary-General on the enhancement of the efficiency of the United Nations structure for drug abuse control. The relevant documents had been considered by the Third Committee, which had subsequently adopted draft resolution A/C.3/45/L.44. Besides the Secretary-General's statement of the programme budget implications of the draft resolution (A/C.5/45/64), there were the Secretary-General's proposals for implementing the Global Programme of Action (A/C.5/45/27).

50. The Advisory Committee had submitted its recommendations in document A/45/7/Add.11. Part I of the Advisory Committee's report dealt with the Secretary-General's recommendations relating to the implementation of the Global Programme of Action. The Secretary-General was requesting the establishment of a total of 20 posts, at an estimated cost of $911,900 under section 20 of the programme budget for the biennium 1990-1991. The Advisory Committee had endorsed the Secretary-General's proposals. The Advisory Committee had been informed that the United Nations International Drug Control Programme would have a total of 151 posts, 71 of which would be financed from the regular budget and 80 from extrabudgetary resources.

51. Part II of the Advisory Committee's report dealt with the Secretary-General's proposals on the question of restructuring the Vienna units. The United Nations International Drug Control Programme would be established in Vienna, and the Secretary-General indicated that the Programme should be headed by an official at the level of Assistant Secretary-General. However, under paragraph 4 of draft resolution A/C.3/45/L.44 the General Assembly would invite the Secretary-General to take the necessary steps in order to appoint a senior official at the level of Under-Secretary-General. The Advisory Committee had considered the matter at length and submitted its views in paragraph 10 of its report. In that paragraph, it stated that establishment of posts and the determination of their levels was within the mandate of the Fifth Committee. Since the Third Committee had

(Mr. Mselle)

pronounced on the level of the official to head the United Nations International Drug Control Programme, the Advisory Committee was unable to pronounce on the level of the post in question. However, in view of General Assembly resolution 41/213, it believed that implementation of the Third Committee's request would require that the appointment of such a senior official should be accommodated within the existing number of posts at that level. That being the case, there would be no need to appropriate an additional amount of $83,900 under section 20 of the programme budget for the biennium 1990-1991. That was the Advisory Committee's recommendation.

52. In paragraphs 12 and 13 of its report, the Advisory Committee drew attention to its intention to review the budget of the United Nations Fund for Drug Abuse Control. It would take into account developments that took place after the adoption by the General Assembly of the recommendation to establish a unified structure in Vienna, entitled the United Nations International Drug Control Programme.

53. The CHAIRMAN suggested that the Committee should defer further consideration of the matter before it to a later meeting.

Standards of accommodation for air travel (continued) (A/C.5/45/28)

54. The CHAIRMAN said that a telex sent to the Under-Secretary-General for Administration and Management by the Director-General of the United Nations Office at Vienna had been brought to his attention. The telex read:

> "The following passage from the United States delegate's statement reported on page 6 of press release GA/AB/2698 of 12 December on the Fifth Committee has been brought to my attention.
>
> > 'The Director-General of the United Nations Office at Vienna had flown by Concorde at an additional cost of $2,278, a sum that was large enough to pay for scores of meals at any refugee camp anywhere in the world. He trusted that the trip, and the exception to the rule, was justified by a matter of great importance.'
>
> "I would like it to be immediately clarified that I have never, on any occasion, flown on Concorde at United Nations expense.
>
> "There was an occasion in November 1989 when a complicated sequence of events requiring me to be in a very short space of time in Congo, Brazzaville, for the Global Commission on AIDS, of which I am the only United Nations member, Malta to chair the Board of the affiliated Institute on Aging, New York for the Third Committee drugs debate (of which the dates had been changed) and Washington, at the Secretary-General's request, to make the final banquet address at the National Conference on the United States and the United Nations: 'Forging a New Relationship'.

(The Chairman)

"There was no way in which I could fulfil all these commitments without flying Concorde, and a possible waiver was the subject of telexes between Headquarters and Vienna.

"In the event, however, I avoided that necessity by cancelling the Congo mission and curtailing that to Malta. I did this deliberately in order to avoid the cost to the Organization of taking the Concorde. It is therefore very unfortunate that the report on standards of travel (which has not reached me in Vienna) should apparently contain this erroneous information and lead to such damaging statements in the Fifth Committee.

"I should be grateful if a statement rectifying this error could be made and given equal publicity to that of the United States delegate."

55. Mr. MICHALSKI (United States of America) said that annex II to the report of the Secretary-General on standards of accommodation for air travel (A/C.5/45/28) did in fact indicate, in section A and in the corresponding footnote, that the Director-General of the United Nations Office at Vienna had travelled by Concorde. He wanted to make it clear to the Committee that the United States delegation had not been wrong in making the statement in question at the Committee's 44th meeting. If there was an error in the Secretary-General's report, it was the Secretariat's fault, not the United States delegation's fault.

56. The CHAIRMAN said that he did not think that on that point there was any disagreement between the United States delegation and the Director-General of the United Nations Office at Vienna.

57. Mr. DANKWA (Ghana) said that it was important to set the record straight, because Member States worked on the basis of the documents submitted to them. He requested the Secretariat to look into the matter.

58. Mr. MICHALSKI (United States of America) said that he supported the statement just made by the representative of Ghana. Obviously, if the information in question had not been provided in a General Assembly document, the United States delegation would not have made the statement in question.

59. Mr. BAZAN (Chile) said that he supported the statements just made by the representatives of the United States and Ghana concerning the information provided in Secretariat documents.

60. The CHAIRMAN said that he would request the Secretariat to issue an appropriate corrigendum to document A/C.5/45/28.

61. The CHAIRMAN invited the Committee to consider the draft decision on standards of accommodation for air travel proposed by the representative of India, which was now available to delegations in an informal paper.

62. Mr. Y. K. GUPTA (India) said that the outcome of the consultations that he had held with a number of delegations was reflected in the draft decision, which read:

(Mr. Y. K. Gupta, India)

"Standards of accommodation for air travel

"The General Assembly,

Reiterates its resolution 41/213 and 42/214;

1. Requests the Secretary-General to review the existing arrangements in regard to payment of subsistence allowance and standard of air travel by representatives of Member States in their official capacity to attend meetings of various intergovernmental bodies and on other United Nations official work and to submit concrete proposals to the forty-sixth session of the General Assembly through the Advisory Committee on Administrative and Budgetary Questions with a view to ensuring consistency of travel arrangements within the United Nations;

2. Requests the Secretary-General to examine how the discounts and other incentives offered by various airlines could be utilized by the United Nations to provide upgraded travel arrangements by representatives of Member States, experts attending meetings of subsidiary bodies and the Secretariat staff without incurring any additional expenditure and to include his recommendations in this regard in the report requested in paragraph 1;

3. Further requests the Secretary-General in the interim to exercise his discretion in respect of business class travel on United Nations official work in cases where this would be justified by high status of the traveller in light of the views expressed by Member States at the forty-fifth session of the General Assembly;

4. Decides to review at its forty-sixth session the arrangements regarding the payment of subsistence allowance and accommodation for air travel on the basis of the above report."

The understanding attached to the draft decision read:

"Under paragraph 3 of the above decision, the Fifth Committee recommends to the General Assembly to request the Secretary-General to provide business class tickets to permanent representatives of Member States accredited to the United Nations whenever they are invited to travel on official United Nations work."

63. Mr. BAZAN (Chile) said that reports on standards of accommodation for air travel should provide more detailed information. He therefore wished to suggest that a paragraph along the following lines should be inserted into the draft decision under consideration: "requests the Secretary-General to include in his next report detailed information on exceptions for first-class travel made for eminent persons". He was referring to details on the meetings that eminent persons had attended, since such information was not provided in annex III of the Secretary-General's report (A/C.5/45/28).

64. The CHAIRMAN suggested that Chile's proposal might be reworded so that it read: "requests the Secretary-General to include in his next report information on the meetings attended by eminent persons for whom exceptions for first-class travel have been made".

65. Mr. BAZAN (Chile) said that wording just suggested by the Chairman was acceptable to this delegation.

66. Mr. KALBITZER (Germany) said that he had certain reservations about paragraph 3 of the draft decision and the understanding attached to the draft decision.

67. Mr. Y. K. GUPTA (India) said that the question was whether, if members of subsidiary bodies and Secretariat officials travelled in business class when they were travelling on official business, such facilities should be denied to the permanent representatives of Member States.

68. Mr. MICHALSKI (United States of America) said that although his delegation had serious concerns about travel costs it would support the Indian delegation's proposed text for the draft decision, on the understanding that the Permanent Representative of the United States would be accorded the same treatment as other permanent representatives.

69. Mr. HAXTHAUSEN (Denmark) said that he supported the German position on the matter. He asked the representative of India whether, in paragraph 2 of the draft decision, the words "upgraded travel arrangements" referred to an upgrade from business class to first-class travel.

70. Mr. Y. K. GUPTA (India) said that the phrase "upgraded travel arrangements" referred to an upgrade from any class to any other class at no additional cost to the Organization. The purpose of paragraph 2 was to request the Secretary-General to examine the possibilities regarding standards of accommodation for air travel, and to allow him some latitude in that area in order to take advantage of incentives offered by airlines.

71. Mr. DANKWA (Ghana) said that he supported the draft decision before the Committee, which dealt with an issue of great concern. The text reflected the agreement which had been reached in discussions on the same issue the previous year. He proposed that in paragraph 3 the phrase "exercise his discretion" should be amended to read "continue to exercise his discretion" and that the phrase "in cases where this would be justified by high status" should be replaced by the words "taking into account the status".

72. Mr. Y. K. GUPTA (India) said that the amendments proposed by the representative of Ghana were acceptable to his delegation.

73. Mr. ABRASZEWSKI (Poland) said that he supported the amendments to paragraph 3 of the draft decision proposed by the representative of Ghana, since the reference to "high status" was vague and could cause difficulties.

74. Mr. HAXTHAUSEN (Denmark) proposed that in paragraph 2 of the draft decision the portion of the paragraph from the phrase "upgraded travel arrangements" to the end of the sentence should be amended to read simply "savings or benefits for the Organization".

75. Mr. Y. K. GUPTA (India) suggested that the phrase proposed by the representative of Denmark should be treated as an addition, so that the relevant part of the sentence would read "to provide savings or benefits for the Organization and upgraded travel arrangements".

76. Mr. HAXTHAUSEN (Denmark) said that, in a spirit of compromise, his delegation would accept India's proposal.

77. The CHAIRMAN said that, if he heard no objection, he would take it that the Committee decided, without a vote, to recommend that the General Assembly should take note of the report of the Secretary-General on standards of accommodation for air travel (A/C.5/45/28).

78. It was so decided.

79. The CHAIRMAN said that, if he heard no objection, he would also take it that the Committee wished to adopt the draft decision proposed by India, as amended by the representatives of Denmark and Ghana, with the paragraph proposed by Chile, as reworded by himself, added as paragraph 5.

80. It was so decided.

AGENDA ITEM 124: PATTERN OF CONFERENCES (continued) (A/C.5/45/L.8)

81. Mr. NASSER (Egypt), Rapporteur, introducing draft resolution A/C.5/45/L.8, briefly outlined the provisions of section A (Report of the Committee on Conferences) and section B (Control and limitation of documentation). He recommended that the Committee should adopt the draft by consensus.

82. Draft resolution A/C.5/45/L.8 was adopted without objection.

The meeting rose at 1.20 p.m.

UNITED NATIONS

General Assembly

FORTY-FIFTH SESSION

Official Records

FIFTH COMMITTEE
47th meeting
held on
Saturday, 15 December 1990
at 3 p.m.
New York

SUMMARY RECORD OF THE 47th MEETING

Chairman: Mr. MAYCOCK (Barbados)

Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. MSELLE

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Distr. GENERAL
A/C.5/45/SR.47
21 December 1990

ORIGINAL: ENGLISH

90-57590 3397S (E)

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The meeting was called to order at 3.40 p.m.

AGENDA ITEM 120: CURRENT FINANCIAL CRISIS OF THE UNITED NATIONS (A/45/830 and A/45/860)

AGENDA ITEM 121: FINANCIAL EMERGENCY OF THE UNITED NATIONS (A/C.5/45/17 and A/45/860)

1. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) introduced the report of the Advisory Committee on the Working Capital Fund (A/45/860), an item to which the Secretary-General had referred in his report on the financial emergency of the United Nations (A/C.5/45/17, para. 1 (b)) and in previous reports submitted to the Fifth Committee on the matter.

2. At the forty-fourth session of the General Assembly, the Advisory Committee had recommended postponement of the question of the Working Capital Fund until the current session so that it could submit the report that was before the Fifth Committee. Rarely had a subject been discussed at such great length in the Advisory Committee.

3. In paragraph 1 of the report, the Advisory Committee referred to the purpose, level, financing and implementation of the Working Capital Fund. In paragraph 2, the Advisory Committee concluded that there was no need to change the wording of General Assembly resolution 44/204 on the Working Capital Fund for the biennium 1990-1991. The wording used in that resolution could be interpreted to mean that advances could be made from the Fund to finance start-up costs of peace-keeping operations, since the term "budgetary appropriations" in such a case did not necessarily refer to regular budget appropriations only. If the Advisory Committee's interpretation was accepted, Member States would have to address the way in which the Fund should be financed to cover the costs of peace-keeping, as well as the manner in which any increase in the Fund was initially financed. In other words, the General Assembly might wish to consider whether a portion of the increase, when implemented, should be based on the special scale of assessment used for peace-keeping operations and the remaining portion on the scale of assessment for the regular budget. If such a decision was taken, the Advisory Committee could provide technical advice on how to proceed.

4. Paragraphs 3 to 5 addressed the question of the level of the Fund. After lengthy discussion, the Advisory Committee had arrived at the conclusion contained in paragraph 5. The other question dealt with in those paragraphs was whether to recommend an increase to $200 million immediately or defer implementation of that increase to a later stage on the basis of the developments referred to elsewhere in the Advisory Committee's report. The Advisory Committee had decided that the amount of the increase should be determined at a later stage, which explained the wording of paragraph 5.

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5. Referring to paragraph 6 on the question of financing, he said that, as indicated by the Secretary-General, traditionally increases in the Working Capital Fund were financed through assessments on Member States. The second sentence of the paragraph stated that "repayments to the Fund would come from the account related to the activity for which the withdrawal was made". That was consistent with paragraph 2 on the purposes of the Fund. If advances were made from the Working Capital Fund to finance start-up costs of peace-keeping operations, then repayment into the Working Capital Fund should be made from the account related to the peace-keeping activity concerned. If, however, the advances for activities were funded from the regular budget, the refund would be made in the traditional manner.

6. Paragraphs 7, 8 and 9 referred to a number of options in the Secretary-General's report, many of which were not endorsed by the Advisory Committee.

7. Paragraphs 10 and 11 dealt with the implementation of an increase in the Working Capital Fund. Such an increase should not be regarded as a means of solving the short- or long-term financial difficulties of the Organization. The Fund was not meant to bridge the gap created when Member States failed to meet their obligations under the Charter. The Fund had originally been established to provide ready cash pending the receipt of assessed contributions and would operate as intended when Member States paid contributions promptly and in a timely manner. If those conditions did not exist, an increase in the Working Capital Fund could provide temporary relief, but in the long term, it might actually increase the deficit of the Organization. Secondly, those Member States which paid their assessed contributions regularly and in a timely manner might not readily agree to be assessed again when other Member States were not meeting their basic obligations. Therefore, paragraph 11 stated that a decision on the implementation of an increase in the level of the Working Capital Fund should only take place when the principle of payment by Members States of their full financial obligations to the Organization was honoured. The cash flow of the Organization had undergone some positive changes recently. At the appropriate time, the General Assembly might wish to consider an increase in the Working Capital Fund and deal with the other accounts referred to briefly in paragraph 3 of the Advisory Committee's report.

8. Mr. GUPTA (India), referring to paragraph 3 of General Assembly resolution 44/195 B, asked what action had been taken by the Secretary-General to encourage expeditious payment in full of all outstanding assessed contributions to all peace-keeping operations, particularly the United Nations Emergency Force (UNEF) and the United Nations Operation in the Congo (ONUC).

9. The CHAIRMAN said that the information requested would be provided when the Committee resumed its consideration of the matter at its next meeting.

AGENDA ITEM 118: PROGRAMME BUDGET FOR THE BIENNIUM 1990-1991 (continued)

Electoral assistance to Haiti (A/C.5/45/67)

10. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that the Advisory Committee, in considering the report of the Secretary-General on electoral assistance to Haiti (A/C.5/45/67), had recalled that in October 1990 the Fifth Committee had decided to inform the General Assembly that, should it adopt draft resolution A/45/L.2, the net additional amount required under the programme budget as a whole for the operation should not exceed $6.5 million.

11. The actual amount which would eventually need to be appropriated under the programme budget for the biennium 1990-1991 was to be reflected in a special performance report to be submitted to the General Assembly towards the end of the current session. Pending receipt of that report, the Secretary-General had been authorized to enter into commitments not exceeding $5 million. The report of the Secretary-General had been submitted pursuant to that decision.

12. The Advisory Committee noted from paragraph 10 of the report that the requirements for the mission in 1990-1991, primarily in 1990, were currently estimated at $5,867,000. However, upon inquiry, the Advisory Committee had been informed that considerable savings would eventually be realized on items of expenditure such as salaries and common staff costs. Under the circumstances, the Advisory Committee recommended the reduction of the Secretary-General's estimate from $5,867,000 to $5 million.

13. With regard to whether recourse should be had to the contingency fund, the Advisory Committee was of the view that the question should be decided in the context of the Fifth Committee's consideration of the consolidated statement of programme budget implications.

14. The CHAIRMAN said that a decision on the matter would be deferred until further informal consultations had been held.

Programme budget implications of draft resolutions A/45/L.31, A/45/L.33 and A/45/L.38-42 concerning agenda item 34 (A/C.5/45/68)

15. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that the Advisory Committee had no objection to the proposals contained in the statement of the Secretary-General. The programme of work of the Special Committee against Apartheid was approved annually, but as could be seen from the statement of the Secretary-General, particularly in the conclusion, the funds had already been appropriated by the General Assembly for the biennium 1990-1991. One item for which additional requirements would arise was related to public information activities under section 27. That amount, estimated at $117,000 (A/C.5/45/68, para. 37), would be considered in the context of the consolidated statement of programme budget implications. The Fifth Committee might wish to inform the plenary Assembly accordingly.

16. The CHAIRMAN proposed that, on the basis of the statement of programme budget implications submitted by the Secretary-General in document A/C.5/45/68 and the recommendation of the Advisory Committee, the Fifth Committee should inform the General Assembly that, should it adopt draft resolutions A/45/L.31, and A/45/L.38-42, no modification would be required in the programme of work for 1990-1991, as proposed under section 3 of the 1990-1991 programme budget and no additional appropriations would be required under section 3 of the programme budget for the biennium 1990-1991.

17. Adoption of draft resolution A/45/L.33 would give rise to a modification in the programme of work of the Special Committee against Apartheid, as outlined in paragraph 36 of document A/C.5/45/68. An additional appropriation of $117,000 would be required under section 27 of the programme budget for 1990-1991, as outlined in paragraph 37 of document A/C.5/45/68.

18. He further proposed that the Fifth Committee should inform the General Assembly that, with regard to the additional requirements under section 27 for the amount of $117,000, in the event that the appropriation required could not be financed from the contingency fund in the context of the consolidated statement, the Secretary-General had, in accordance with the annex to General Assembly resolution 42/211, identified the activities set out in paragraph 40 of document A/C.5/45/68 for deferral to the biennium 1992-1993 in order to offset the additional costs that would result from the adoption of the draft resolutions under consideration. If he heard no objection, he would take it that the Committee wished to adopt the decision he had just outlined without a vote.

19. It was so decided.

20. Mr. KINCHEN (United Kingdom) said that his delegation would express its position on the substance of the draft resolutions in plenary meeting. Drawing attention to draft resolution A/C.5/45/L.33, paragraph 9, he said that the practice of appropriating sums without a description of the corresponding activity was difficult, if not impossible, to reconcile with the principles of programme budgeting.

Programme budget implications of draft resolution A/C.2/45/L.57 concerning agenda item 79 (A/C.5/45/69)

21. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that the Advisory Committee had considered the statement submitted by the Secretary-General on programme budget implications concerning the implementation of the Programme of Action for the Least Developed Countries for the 1990s (A/C.5/45/69).

22. The resource requirements for the biennium 1990-1991 arising from the adoption of draft resolution A/C.2/45/L.57, as orally revised, amounted to $387,500, comprising $64,100 under section 11 (Economic and Social Commission for Asia and the Pacific), $75,100 under section 13 (Economic Commission for Africa) and $248,300 under section 15 (United Nations Conference on Trade and Development). In

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paragraph 25, the Secretary-General noted that the additional requirements were related to new activities and that it was not anticipated that the amount of $387,500 could be absorbed within existing appropriations. Consequently, the additional requirements would be dealt with in accordance with the guidelines for the operation and use of the contingency fund.

23. The Secretary-General discussed the additional requirements in section IV of his statement (paras. 18-24). In that connection, the Advisory Committee noted that the additional requirements under both section 11 (ESCAP) and section 13 (ECA) would provide for a new P-5 post and one General Service post at each Commission, as well as additional travel resources.

24. The additional requirements of $248,300 under section 15 (UNCTAD) would provide for three new Professional posts (one P-5, one P-4 and one P-3) and two General Service posts, additional travel of staff and the reclassification of one D-1 post to the D-2 level and one P-5 post to the D-1 level. The new P-5, P-3 and one General Service post, to be located in Geneva, would provide support to UNCTAD's Special Programme for the Least Developed Countries. The new P-4 and the second General Service post would be located in the New York Office of UNCTAD, as outlined in paragraph 23 (b) of the Secretary-General's statement.

25. The Advisory Committee had discussed the requests of the Secretary-General at length with his representatives from Headquarters and UNCTAD. The Committee had no objection to the additional requirements totalling $387,500, which would, as indicated, be dealt with in accordance with the guidelines for the operation and use of the contingency fund. Accordingly, the additional appropriations requested by the Secretary-General would be considered in the context of the consolidated statement to be submitted to the General Assembly at the end of its current session in accordance with section C of the annex to resolution 42/211.

26. However, the Advisory Committee had reservations concerning the allocation of the additional requirements. In view of the high priority attached to the need to strengthen the UNCTAD unit for the Special Programme for the Least Developed Countries, the Advisory Committee was of the view that the additional four posts being requested for ESCAP and ECA (two P-5s and two General Service posts) should also be allocated to UNCTAD. That should not be misconstrued to mean that additional requirements might not be needed, at some stage, at the regional level. However, in the Committee's opinion, the necessary resources should first be consolidated in UNCTAD to enable that office to discharge effectively its mandate concerning the implementation of the Programme of Action, as called for in the draft resolution.

27. Mr. MICHALSKI (United States of America) said that his delegation had not yet had time to consider all the implications of document A/C.5/45/69. It was, however, concerned by the plan to upgrade posts in mid-biennium and by the practice of assigning a private secretary to each new Professional staff member. Despite its concerns, his delegation would raise no objection to the adoption by consensus of a recommendation on the item under consideration.

28. Mr. ZAHID (Morocco) asked what level of resources would be required if the Advisory Committee's recommendations was accepted.

29. Mr. ETUKET (Uganda) felt that all units with responsibility for implementation of the Programme of Action, including UNCTAD and the regional commissions, needed to be strengthened: while the importance of the UNCTAD Special Programme could not be denied, it was equally important that other related units should not be adversely affected. The decision as to whether activities might have to be postponed, as referred to in paragraph 29 of the Secretary-General's statement, must be taken at the political level. While the information provided by the Secretariat was useful, that paragraph should not be seen as pre-empting a subsequent agreement by Member States in the context of the consolidated statement.

30. Mr. AKHTARUZZAMAN (Bangladesh) said that the Programme of Action adopted in September 1990 embraced a broad range of commitments which were to be implemented in the course of the decade. The Special Programme of UNCTAD had been given a vastly expanded mandate to act as the global focal point for review and appraisal of the Programme of Action at the global level and to provide support at the national and regional levels but the resources earmarked in the Secretary-General's corresponding statement of programme budget implications were woefully inadequate. Since the first global review meeting was due to be held in March 1991, and in order to give the Programme of Action at least some chance of being implemented, his delegation had very reluctantly decided to endorse the recommendations of the Advisory Committee. However, it continued to believe that a reversal of the plight of the least developed countries was a moral imperative and urged that the Fifth Committee should persist in seeking ways of identifying additional resources for the Special Programme in the course of its coming meetings. Meanwhile, such resources as had already been proposed should be directed to the Special Programme as promptly as possible.

31. Mr. CORNELISSEN (Netherlands) said that his Government attached great importance to the Programme of Action and believed that the financial resources required for its implementation should be determined, as far as possible, in the light of what UNCTAD itself considered necessary. The Secretary-General's statement did not appear to reflect the priority assigned to the Programme of Action. His delegation agreed in general with the thrust of the statement made by the representative of Bangladesh and also hoped that there might be an opportunity in the days ahead to examine the requirements of UNCTAD more carefully.

32. Mr. BIRAUD (France) said that UNCTAD had, since 1981, increasingly distinguished itself in its work, together with other organizations, on behalf of the least developed countries. His delegation endorsed the comments made by the representatives of Bangladesh and the Netherlands and felt that the Secretary-General's statement did not do justice to the need for real follow-up to the Second United Nations Conference on the Least Developed Countries. It fully shared the views of the Advisory Committee and hoped that the Fifth Committee would still be able to translate the need for such follow-up into the provision of adequate resources and staff.

33. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that, if the Advisory Committee's recommendations was accepted, all the staff resources referred to in the Secretary-General's statement would be allocated to the Special Programme of UNCTAD. Although the reallocation of posts to Geneva would entail an increase in the combined estimated cost of $387,500, the Advisory Committee would recommend that the difference be reflected in the performance report.

34. Mr. ANNAN (Controller) said there was no doubt, given the importance of the issue under consideration, that substantial resources were required. There were, however, constraints in terms both of time and of availability. Any additional resources, given the current budgetary procedure, would have to come from the contingency fund, which was already very nearly depleted. He appealed to members of the Committee, in the light of such limitations, not to indulge in a search for funds that were not available.

35. Mr. ZAHID (Morocco) said that, given the eminent technical competence of the Advisory Committee, its - most unusual - opinion that the proposals of the Secretary-General were insufficient must be taken very seriously. In addition, paragraph 29 of the Secretary-General's statement cast doubts on the availability of even the inadequate resources proposed. His delegation therefore believed that either the statement of programme budget implications must be revised in the light of the debates in the Second and Fifth Committees or, if time constraints made such action impractical, that the Committee should include in its recommendation a paragraph mentioning the concern expressed by delegations and the comments of the Chairman of the Advisory Committee.

36. The CHAIRMAN proposed that, on the basis of the statement of programme budget implications submitted by the Secretary-General in document A/C.5/45/69, and the recommendations of the Advisory Committee, the Fifth Committee should inform the General Assembly that, should it adopt draft resolution A/C.2/45/L.57, as orally revised, it was estimated that additional requirements of $387,500 would be required for the biennium 1990-1991. In addition, an amount of $87,500 would be required under section 31, to be offset by an increase in the same amount under income section 1. The Fifth Committee endorsed the views of the Advisory Committee concerning the allocation of the additional resources. The additional requirements would constitute an additional expenditure derived from legislative mandates not provided for in the programme budget and would be dealt with in accordance with the guidelines for the operation and use of the contingency fund, in the context of the consolidated statement to be submitted to the General Assembly towards the end of its current session.

37. It was so decided.

Programme budget implications of draft resolution A/C.2/45/L.93 concerning agenda item 81 (A/C.5/45/70)

38. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that, under the terms of draft resolution A/C.2/45/L.93, the

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General Assembly would establish a single intergovernmental negotiating process under the auspices of the General Assembly, supported by the United Nations Environment Programme (UNEP) and the World Meteorological Organization (WMO), of which the first negotiating session would be held at Washington in February 1991. It would also request the Secretary-General to establish an ad hoc secretariat of appropriate size and quality, consisting mainly of Professional staff of UNEP and WMO, and to appoint as its head a senior official who would act under the guidance of the Intergovernmental Negotiating Committee. The Secretary-General indicated that implementation of the draft resolution would give rise to conference-servicing costs amounting to $1,522,600, and that the additional costs of holding the session at Washington would be borne by the host Government. No additional requirements would arise in respect of the establishment of the ad hoc secretariat, which would consist, in addition to its head, of one D-1, one P-5, one P-4 and six General Service staff, since it was anticipated that its head would be appointed from within the Secretariat and that the other staff members would be made available from UNEP and WMO or other relevant bodies of the United Nations system. The Advisory Committee concurred in the Secretary-General's proposals and recommended that the Fifth Committee inform the General Assembly accordingly.

39. Ms. SHITAKHA (Kenya) said that the Second Committee seemed to be following in the Third Committee's footsteps in meddling in administrative and budgetary matters, which were the preserve of the Fifth Committee. Her delegation hoped that that practice would cease. Kenya had repeatedly stressed its concern at the low level of resources allocated to UNEP and found it difficult to believe that UNEP would have adequate resources for both its own programme of work and the preparatory work for the Conference on Environment and Development to be held in 1992. While her delegation reluctantly would not oppose the measure, it requested assurances that the posts in question would be restored to UNEP and WMO at the conclusion of the preparatory process. Lastly, she requested an explanation of the term "funding" in paragraph 21 of draft resolution A/C.2/45/L.93.

40. Mr. GROSSMAN (United States of America) stressed that the United States Government and people would be proud to host the first negotiating session in Washington and to cover the additional costs entailed.

41. Mr. ANNAN (Controller) said that the arrangement proposed in paragraph 21 of draft resolution A/C.2/45/L.93 would entail the loan of staff members from UNEP and WMO. The staff members in question would continue to receive their salaries and allowances from UNEP and WMO and would return to those agencies after the completion of their work in preparation for the Conference. UNEP and WMO would therefore be funding the preparatory activities by providing human resources and would in no case lose any posts.

42. The CHAIRMAN said that, if he heard no objection, he would take it that, on the basis of the statement of programme budget implications submitted by the Secretary-General in document A/C.5/45/70, the Committee wished to inform the General Assembly that, should it adopt draft resolution A/C.2/45/L.93, no

(The Chairman)

additional appropriations would be required under the programme budget for the biennium 1990-1991.

43. It was so decided.

Programme budget implications of draft resolution A/C.2/45/L.37/Rev.1 concerning agenda item 79 (A/C.5/45/71)

44. Mr. MSELLE (Chairman of the Advisory Committe on Administrative and Budgetary Questions) said that in draft resolution A/C.2/45/L.37/Rev.1 the General Assembly would endorse resolutions 1 (V) and 2 (V) adopted by the Committee on the Development and Utilization of New and Renewable Sources of Energy at its fifth session. The statement by the Secretary-General (A/C.5/45/71) indicated the programme budget implications of those resolutions. Should the General Assembly adopt resolution 1 (V), it was estimated that additional resource requirements of $73,900 would have to be met under section 5A and section 6 of the programme budget for the biennium 1990-1991. That amount would be considered in the context of the consolidated statement of programme budget implications.

45. With regard to the programme budget implications of resolution 2 (V), the statement by the Secretary-General indicated conference-servicing costs totalling $199,900 and non-conference-servicing costs amounting to $113,600. The latter amount would be governed by the guidelines for the operation and use of the contingency fund and would be considered in the context of the consolidated statement.

46. Mr. MICHALSKI (United States of America) said that his delegation doubted that the activities provided for under resolution 2 (V) would make a very important contribution.

47. Mr. KINCHEN (United Kingdom) inquired whether the comments made by the Chairman of the Advisory Committee concerning work related to the Conference on Energy and Development in 1992 might also apply to the activities provided for in paragraph 6 of draft resolution A/C.2/45/L.37/Rev.1.

48. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that his comments would apply mutatis mutandis to the activities referred to by the representative of the United Kingdom.

49. The CHAIRMAN said that, if he heard no objection, he would take it that, on the basis of the statement of programme budget implications submitted by the Secretary-General in document A/C.5/45/71 and the recommendations of the Advisory Committee, the Committee wished to inform the General Assembly that, should it adopt draft resolution A/C.2/45/L.37/Rev.1, additional resources estimated at $113,600 would be required under section 6 of the programme budget for the biennium 1990-1991. Those additional requirements would constitute an additional expenditure derived from legislative mandates not provided for in the programme budget and would be dealt with in accordance with the guidelines for the operation

and use of the contingency fund adopted by the General Assembly in resolution 42/211. The additional requirements would be considered in the context of the consolidated statement to be submitted to the General Assembly at the end of its current session in accordance with section C, paragraphs 5 and 6, of the annex to resolution 42/211.

50. It was so decided.

Emoluments of the Secretary-General, the Director-General for Development and International Economic Co-operation and the Administrator of the United Nations Development Programme (A/45/7/Add.12)

51. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions), said that the report of the Advisory Committee covered the emoluments of the Secretary-General, the Director-General for Development and International Economic Co-operation and the Administrator of the United Nations Development Programme (UNDP). Paragraph 1 of the report indicated their current salaries effective November 1990. Paragraph 3 showed what those salaries would amount to if a 5 per cent increase was applied to them, with effect on 1 January 1991 only. The Advisory Committee recommended that the emoluments of the Director-General and the Administrator of UNDP should be as indicated in paragraph 3. With regard to the emoluments of the Secretary-General, the Advisory Committee recommended net remuneration of $170,000 and an increase in the representation allowance to $25,000. The total net remuneration of the Secretary-General as of 1 January 1991 would therefore be $195,000.

52. In paragraph 6 of its report, the Advisory Committee recommended changes with regard to the retirement allowance. In paragraph 8, the Advisory Committee stated that it believed that a coherent system should be established for the rationalization of compensation of the executive heads, bearing in mind the prerogatives of the legislative bodies concerned. The Advisory Committee intended to look further into that matter with the specialized agencies and report to the General Assembly. The financial implications of the recommendations made were set forth in paragraph 9 of the report. The annex to the report contained the draft resolution on the question recommended by the Advisory Committee to the General Assembly for adoption.

53. The CHAIRMAN said that if he heard no objection, he would take it that the Committee wished to adopt the draft resolution recommended by the Advisory Committee in the annex to the report in document A/45/7/Add.12.

54. It was so decided.

55. The CHAIRMAN said that the decision just taken would require a consequential amendment to annex I of the Staff Regulations of the United Nations to reflect the correct salary figures for the Administrator of UNDP and the Director-General for Development and International Economic Co-operation as $151,233.

AGENDA ITEM 133: FINANCING OF THE UNITED NATIONS OBSERVER GROUP IN CENTRAL AMERICA (A/45/833, A/45/867)

56. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that the Advisory Committee supported the Secretary-General's proposal in document A/45/833 concerning the financing of the United Nations Observer Group in Central America (ONUCA), subject to the observations set forth in its report (A/45/867), particularly those in paragraphs 10 and 11.

57. The Advisory Committee, noting that the civilian staff costs had doubled in proportion to the total cost estimate, recommended that the staffing table of ONUCA should be kept under constant review. In paragraph 12, the Advisory Committee recommended the amount of $19,410,200 gross ($18,829,600 net) for the mandate period from 7 November 1990 to 7 May 1991. In paragraph 13 of its report, the Advisory Committee recommended, subject to the decision to be taken by the Security Council on the renewal of ONUCA after 7 May 1991, that the General Assembly should approve commitment authority up to the level of $2,730,016 gross ($2,633,016 net) per month for the six-month period beginning 7 May 1991. Lastly, he pointed out that the phrase "with the prior concurrence of the Advisory Committee" should be added at the end of paragraph 13.

58. The CHAIRMAN said that he had designated the representative of Ireland to co-ordinate the preparation of a draft resolution on the item.

OTHER MATTERS

59. The CHAIRMAN said that he had received letters from representatives of the Federation of International Civil Servants' Associations (FICSA) and the Co-ordinating Committee for Independent Staff Unions and Associations of the United Nations System (CCISUA) expressing their regret at not having been allowed to attend the informal consultations on ICSC. If he heard no objection, he would take it that the Committee wished him to reply to the two representatives indicating that the Committee confirmed its decision not to admit staff representatives to such consultations unless they were specifically requested to attend.

60. It was so decided.

The meeting rose at 5.40 p.m.

UNITED NATIONS

General Assembly

FORTY-FIFTH SESSION

Official Records

FIFTH COMMITTEE
48th meeting
held on
Monday, 17 December 1990
at 3 p.m.
New York

SUMMARY RECORD OF THE 48th MEETING

Chairman:	Mr. MAYCOCK	(Barbados)
later:	Mr. KOULYK (Vice-Chairman)	(Ukrainian Soviet Socialist Republic)
later:	Mr. MAYCOCK (Chairman)	(Barbados)

Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. MSELLE

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First performance report.

AGENDA ITEM 128: UNITED NATIONS PENSION SYSTEM (continued)

AGENDA ITEM 12: REPORT OF THE ECONOMIC AND SOCIAL COUNCIL

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The meeting was called to order at 3.20 p.m.

AGENDA ITEM 120: CURRENT FINANCIAL CRISIS OF THE UNITED NATIONS (continued)
(A/45/830 and A/45/860)

AGENDA ITEM 121: FINANCIAL EMERGENCY OF THE UNITED NATIONS (continued)
(A/C.5/45/17 and A/45/860)

1. Mr. WILENSKI (Australia) said that his delegation wished to address one particular aspect of the Organization's continuing financial deficit, namely, the serious difficulties encountered in the start-up phase of peace-keeping operations due to the absence of adequate financial reserves. It was regrettable that some Member States which adopted high-profile public stances in favour of peace-keeping activities appeared unwilling to contribute to solutions of those difficulties. The Fifth Committee could not afford to ignore the specific request by the Special Committee on Peace-keeping Operations to consider ways of overcoming such problems, nor to continue to procrastinate at a time when two major operations were being contemplated.

2. The Secretary-General had, at the forty-fourth session of the General Assembly, argued persuasively for an increase in the level of the Working Capital Fund to not less than $200 million. However, the Advisory Comittee had recommended that consideration of the proposal be deferred to the forty-fifth session and indicated that it would give the matter priority attention during 1990. The subsequent conclusion by the Advisory Committee that a decision on the Fund should take place only when the principle of payment by Member States of their full financial obligations was honoured, was very disappointing, since it ignored the realities of the situation. As all were aware, serious difficulties had been encountered in the start-up phase of the United Nations Transition Assistance Group. In some situations, a delay of several months in establishing an operation could lead to the breakdown of a settlement process. Under the current anachronistic and cumbersome procedures required before procurement could begin, the Secretary-General lacked the means to begin rapid implementation of a peace-keeping mandate. Nor did he have the authority to pre-order goods and services on credit.

3. Practical steps must be taken promptly in order to avoid such unacceptable delays in the future. In the first place, his delegation urged that members of the Committee give serious consideration to approving the proposed increase in the level of the Working Capital Fund during the current session. Secondly, it suggested that the current system be modified with a view to eliminating built-in delays. Immediately after the enabling resolution was passed by the Security Council, the Fifth Committee could meet to authorize the Secretary-General, in consultation with the Advisory Committee, to draw on the Working Capital Fund to the extent necessary to initiate the operation. The Secretary-General could be requested to report on the level of funds committed when full estimates were submitted to the Fifth Committee. The potential benefits in terms of rapid implementation and reduced cost would greatly outweigh the slight risk, from a

(Mr. Wilenski, Australia)

strict accounting point of view, that funds might be used in a way unacceptable to the General Assembly. Such a procedure could be approved in principle during the current session of the General Assembly.

4. Since to double the Working Capital Fund while maintaining existing commitment authority levels would be illogical, his delegation's third suggestion was that current levels should be increased very substantially, to some $10 million for the Secretary-General and $50 million for the Advisory Committee.

5. His delegation also supported the establishment of a reserve stock of equipment and supply items and believed that much more must be done than had been recommended by the Advisory Committee if such a reserve stock was to be really useful.

6. Mr. TRAXLER (Italy), speaking on behalf of the 12 States members of the European Community, said that the idea of treating the current financial crisis and the financial emergency as separate agenda items was unhelpful. The essential point in both cases was that all Member States were obliged under the Charter to bear the expenses of the Organization as apportioned by the General Assembly. Any delay or withholding, besides being a breach of Charter obligations, jeopardized the United Nations' ability to carry out its programmes and to respond promptly and effectively to rapid changes in world events. Although the financial situation had improved somewhat since the Under-Secretary-General for Administration and Management had addressed the Committee in September, the shortfall for the year still amounted to some 35 per cent of the total assessment. The Twelve noted with concern that the number of Member States in arrears was again beginning to rise.

7. Many initiatives had been taken over the years with a view to averting the risk of the Organization's defaulting on its day-to-day commitments. Nevertheless, the financial situation had grown steadily more precarious, to the extent that the Working Capital Fund and the Special Account had been practically exhausted, obliging the Secretary-General to borrow from peace-keeping funds. Member States which, like the Twelve, had regularly paid their assessed contributions were thus bearing an unjust burden to compensate for the failures of others.

8. The question was no longer a purely financial issue but one of Member States' political will concerning the function of the Organization. If the financial crisis was not overcome, the United Nations would evidently have to restrict its activities at a time when ever greater demands were being made on its capacity to conduct peace-keeping operations. The Twelve were pleased to note that some Member States had become less reluctant to contribute to such operations and hoped to see further progress in that area. However, the reimbursements due to former and current troop-contributing countries remained extremely high. Given the dimensions of the crisis, the Twelve believed that the Secretary-General's proposal to increase the level of the Working Capital Fund was unlikely to have much effect. They shared the views of the Secretary-General expressed in paragraph 35 of document A/C.5/45/17 and joined both him and the General Assembly in renewing their appeal to Member States to pay their assessed contributions promptly and in full.

9. Mr. HAXTHAUSEN (Denmark), speaking on behalf of the five Nordic countries, noted with regret that the financial situation of the United Nations continued to threaten the smooth functioning of the Organization. They concurred with all the Secretary-General's related conclusions and recommendations. A situation in which only 64 countries had paid their assessed contributions in full was clearly untenable. The failure to pay assessed contributions for peace-keeping operations, thereby preventing the reimbursement of troop-contributing States, was also a matter of great concern, and it was therefore unfortunate that the Secretary-General should have failed to report on his efforts to encourage expeditious payment of such contributions in the documents before the Committee. Recognizing that the shortfall was caused both by outstanding contributions and by delayed payments, the Nordic countries urged Governments to do all in their power to ensure that the Organization received payments in full and on time, in accordance with the Financial Regulations, and called on those Member States whose budget year did not coincide with that of the United Nations to change their procedures in order to comply with the Regulations.

10. While welcoming the Advisory Committee's recommendation that the level of the Working Capital Fund should be increased, the Nordic countries regretted that Committee's failure to recommend either a date for implementation or an amount for the increase. Everyone was aware that the Fund's current level was too low, particularly in view of the expansion of peace-keeping activities. As a purely technical consequence of the growth in the Organization's financial commitments, the Nordic delegations fully concurred with the proposal for an immediate increase to a level of $200 million.

11. Mr. Koulyk (Ukrainian Soviet Socialist Republic), Vice-Chairman, took the Chair.

12. Mr. CHEN Xu (China) said that a healthy and stable financial situation had a direct bearing on whether the Organization could effectively play its role in preserving world peace, defusing regional conflicts and promoting international co-operation. It was therefore a matter of grave concern that the spectre of financial crisis should continue to haunt the Organization and that the pattern of payments by the membership as a whole should have been much less encouraging in 1990 than in previous years. However complicated their reasons for withholding or delaying the payment of assessed contributions, all Member States should do their utmost, in accordance with the Charter and with the Financial Regulations, to pay such contributions in full and on time.

13. With regard to the proposal to raise the level of the Working Capital Fund, the Secretary-General had failed to provide convincing arguments. The main reason for the long-standing financial crisis lay in the practice of some Member States, and particularly the major contributor, of withholding or delaying the payment of assessed contributions. Until that practice was corrected, there could be no lasting solution of the financial difficulties facing the Organization. An increase in the level of the Working Capital Fund would be tantamount to asking some Member States to make up the shortfall created by those countries which were in arrears. His delegation therefore fully agreed with the Advisory Committee that

(Mr. Chen Xu, China)

no increase should be considered until the political problem of full and timely payment of assessed contributions by all Member States was satisfactorily solved.

14. Mr. HILL (United States of America) said that the solution to the Organization's current financial uncertainties lay not in short or medium-term financial devices, but in continuing efforts to strengthen confidence in the United Nations among Member States, many of which had previously been dissatisfied with the Organization's growth and spending patterns. In response to the recent political, administrative and budgetary accomplishments of the United Nations, the United States had contributed $206 million towards its 1989 assessment; its 1991 budget included full funding of its assessment for the calendar year 1990 and a plan to pay regular budget and peace-keeping arrears over a five-year period. His delegation was disturbed by the implication of the Secretary-General's report that no real changes had occurred in the Organization's financial position and by its failure to mention that the United States had paid $302 million during 1990, particularly since previous reports had made specific references to the shortfalls and arrears of the United States. Moreover, the United States was only one of 93 Member States which were in arrears as of 30 November 1990, and the amounts due from almost 40 countries were greater as a percentage of their current assessments than the amount owed by the United States expressed as a percentage of its 1990 assessment.

15. His delegation did not accept the Secretary-General's view that the Organization was facing imminent bankruptcy, since the cash flow projection for 1991 showed that the Organization's resources were increasing because contributions by Member States had exceeded assessed amounts for two consecutive years. Although that improvement was significant, his delegation recognized the need for greater financial stability and therefore supported the Advisory Committee's recommendations on possible further adjustments of the level of the Working Capital Fund. The United States expected to sustain its annual contribution for 1991 and to reduce further the amount of its outstanding obligations, but there was also a need to enhance the Organization's cost-effectiveness, in view of its renewed importance in dealing with serious global problems.

16. Mr. KINCHEN (United Kingdom) said that his delegation associated itself with the statement made by the representative of Italy, since it also supported the payment of assessed contributions in full and on time, and that it supported the observations and recommendations of the Advisory Committee.

17. Mr. INOMATA (Japan) said that his delegation noted with concern that for the first time since 1986, owing to the exhaustion of cash reserves during November, the Secretary-General had been obliged to borrow from peace-keeping funds in order to meet cash requirements in respect of regular budget obligations. Member States should pay their assessed contributions in full and on time to avoid the recurrence of that situation, which had constituted an unavoidable breach of the Organization's financial regulations. It was encouraging, however, to note that the cash flow projection for 1991 was for $130.9 million to be available at the end of the fourth quarter. If that projection came to pass as a result of the

(Mr. Inomata, Japan)

co-operation of Member States the pressure to raise the level of the Working Capital Fund would decrease.

18. The need to finance unforeseen and extraordinary expenses for future peace-keeping operations, such as those planned for Western Sahara and Cambodia, would justify an increase in reserve funds, though not necessarily in the Working Capital Fund. It would be onerous for Member States to maintain a large amount of reserve funds in anticipation of future peace-keeping operations, so ad hoc solutions, such as voluntary cash grants or advances by Member States, should be explored. He fully endorsed the Advisory Committee's view that an increase in the Working Capital Fund could lead to a worsening of the situation, since the outstanding obligations of certain Member States might even increase as a result. Member States which had fulfilled their financial obligation to the Organization should not continue to finance the shortfalls of other Member States.

19. Mrs. GOICOCHEA (Cuba) said that her delegation was concerned over the statement in document A/45/830, paragraph 7, that the Working Capital Fund had been utilized repeatedly in 1990 to finance unforeseen and extraordinary expenses relating to peace-keeping, since no prior agreement had been reached on using the Fund for that purpose. Her delegation supported the Advisory Committee's recommendations on the use of the Fund. It also requested updated information on the status of contributions to the regular budget, since the information in document A/C.5/45/17, annex III, related only to contributions up to 30 September 1990.

20. Mr. Maycock (Barbados) resumed the Chair.

21. Mr. Y. K. GUPTA (India) requested a response from the Secretariat to the question his delegation had raised at the Committee's 47th meeting.

22. Mr. ANNAN (Controller) recalled that the question of the representative of India had been whether the Secretariat had received payments due from Member States with respect to UNEF and UNEF II. In recent years, no requests had been sent to Governments regarding those two operations. However, he intended to keep any interested delegations apprised of the matter in the course of the year, and would provide updated figures on overall and individual contributions.

23. Mr. Y. K. GUPTA (India) thanked the Controller, but stated that his question had related to the first UNEF operation and the United Nations Operation in the Congo.

AGENDA ITEM 118: PROGRAMME BUDGET FOR THE BIENNIUM 1990-1991 (continued)

First performance report (A/C.5/45/45 and Add.1 and Add.1/Corr.1; A/45/7/Add.14)

24. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that the Advisory Committee's report in document A/45/7/Add.14 covered the proposals of the Secretary-General in document A/C.5/45/45 and Add.1.

(Mr. Mselle)

Owing to an estimated increase in expenditure of $181,984,500 (gross), the Secretary-General proposed a revised appropriation for 1990-1991 of $2,156,618,500. The Secretary-General also requested an additional $2 million primarily for conference servicing in Vienna. In its report, the Advisory Committee proposed that the General Assembly should approve revised appropriations in an additional amount of $146,284,500. The reasons for that adjustment were explained in paragraphs 9, 11, 12 and 20 of the Advisory Committee's report; one of the reasons was the proposed application to the estimate of the average rate of exchange for 1990 rather than the December rate, as proposed by the Secretary-General.

25. Mrs. GOICOCHEA (Cuba) said that her delegation would not be in a position to take a decision on the matter until it had reviewed the Advisory Committee's report.

26. The CHAIRMAN said that the Fifth Committee would defer its consideration of the Advisory Committee's report.

AGENDA ITEM 128: UNITED NATIONS PENSION SYSTEM (continued)

Draft resolution A/C.5/45/L.14

27. Mr. KOULYK (Ukrainian Soviet Socialist Republic), introducing draft resolution A/C.5/45/L.14, said that it was based on the proposed draft resolution contained in annex XI of the report of the United Nations Joint Staff Pension Board (A/45/9). He briefly outlined the sections of the draft resolution, indicating where changes and additions had been made to the text proposed by the Pension Board.

28. The CHAIRMAN said that if he heard no objection, he would take it that the Committee wished to adopt draft resolution A/C.5/45/L.14 without a vote.

29. It was so decided.

30. Mr. KARBUCZKY (Hungary), speaking in explanation of position, said that his delegation welcomed the adoption of the draft resolution, but regretted that section VII did not include an expression of appreciation for the management and investment return of the United Nations Joint Staff Pension Fund.

AGENDA ITEM 12: REPORT OF THE ECONOMIC AND SOCIAL COUNCIL (A/45/3 and Add.2, A/45/835)

31. The CHAIRMAN proposed that the Committee should take note of chapter III, section B, and chapter VI, sections B and C, of the report of the Economic and Social Council (A/45/3).

32. It was so decided.

The meeting rose at 4.45 p.m.

UNITED NATIONS

General Assembly

FORTY-FIFTH SESSION

Official Records

FIFTH COMMITTEE
49th meeting
held on
Tuesday, 18 December 1990
at 9 p.m.
New York

SUMMARY RECORD OF THE 49th MEETING

Chairman: Mr. MAYCOCK (Barbados)

Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. MSELLE

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The meeting was called to order at 11.40 p.m.

AGENDA ITEM 118: PROGRAMME BUDGET FOR THE BIENNIUM 1990-1991 (continued)

Integrated management information system project (continued)

1. The CHAIRMAN said that the Assistant Secretary-General for General Services had asked him to convey to the Committee additional information regarding the integrated management information system project (IMIS), in particular, with regard to the timetable for the internal design stage, which would begin in late February or early March 1991. According to the information provided, consultants assisting the United Nations in the preparation of an invitation to submit proposals for the final stages of the implementation of the project had, on 14 December 1990, strongly recommended that consulting firms should be given additional time to prepare their proposals and the Assistant Secretary-General had accepted their recommendations. That would allow the consulting firms invited to submit proposals sufficient time to examine the documentation prepared during the first stage in order to have an accurate idea of the scope and complexity of the work to be done. Curtailing the time allotted to those firms would have given an unfair advantage to the current consulting firm. In the mean time, work on the IMIS project would continue and the staff assigned to the project would proceed with a number of tasks necessary for its successful implementation. Some of those tasks had already begun, including the preparation and issuance of an invitation to submit proposals for the hardware and software necessary to run the IMIS applications at all duty stations; preparation for the difficult and time-consuming task of data conversion; and documentation of the accounting rules.

AGENDA ITEM 130: FINANCING OF THE UNITED NATIONS IRAN-IRAQ MILITARY OBSERVER GROUP (continued) (A/45/847)

2. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that the Advisory Committee had considered the report of the Secretary-General on the financing of the United Nations Iran-Iraq Military Observer Group (UNIIMOG) (A/45/847). During its consideration of the item, representatives of the Secretary-General had provided additional information to the Advisory Committee.

3. Section I of the Secretary-General's report summarized the history of UNIIMOG since its inception on 9 August 1988. As noted therein, as well as in the Advisory Committee's report (A/45/7), in April 1990, the Advisory Committee had given its concurrence to a level of commitments in the amount of $29.8 million gross ($29 million net) with regard to the mandate period from 1 April to 30 September 1990. The Advisory Committee had also concurred in the crediting of $5 million to Member States against their assessments for that period, on the understanding that the $5 million balance of the amount to be credited to Member States pursuant to General Assembly resolution 44/189 would be credited to Member States against the assessments in respect of the mandate period beginning 1 October 1990. As indicated in paragraph 32 (a) of the Secretary-General's

report, the amount of $29.8 million gross ($29 million net), remained to be appropriated at the current session of the General Assembly.

4. As recalled in paragraph 4 of A/45/847, the Security Council, by its resolution 671 (1990) had extended the mandate of UNIIMOG for two months, from 1 October to 30 November 1990. In that connection, the Advisory Committee had given its concurrence to the Secretary-General to enter into commitments in an amount of $9,823,000 gross ($9,503,000 net) in respect of the projected cost of maintaining UNIIMOG for that period. The Advisory Committee had also concurred in the Secretary-General's proposal to finance that amount from the encumbered balance remaining from the resources made available to UNIIMOG since its inception. In that connection, the Advisory Committee had noted that because the cost for UNIIMOG for those two months would be met from the unencumbered balance, Member States would, in effect, be credited with an amount totalling $9,823,000 gross ($9,503,000 net). Accordingly, that amount subsumed the outstanding $5 million required to be credited pursuant to General Assembly resolution 44/189. The action required by the General Assembly with regard to the amount of $9,823,000 gross ($9,503,000 net) was set forth in paragraph 32 (b) of the Secretary-General's report.

5. As indicated in paragraph 4 of the report, by Security Council resolution 676 (1990) the mandate of UNIIMOG had been further extended for an additional two months through 31 January 1991. On the basis of the tasks enumerated in paragraph 16, the Secretary-General projected the cost of UNIIMOG for the two-month period from 1 December 1990 to 31 January 1991 at $7,274,000 gross ($6,946,000 net). A breakdown of that amount by line item was provided in annex III to the Secretary-General's report, while supplementary information was contained in annex V. The Advisory Committee concurred in that estimate and in the Secretary-General's proposal to finance it from the unencumbered balance remaining from the appropriations and authorizations made available to UNIIMOG. The Advisory Committee noted that, should the General Assembly accept the Secretary-General's estimate, an appropriation of $7,274,000 gross ($6,946,000 net) would be required, as indicated in paragraph 32 (c) of the Secretary-General's report.

6. The Secretary-General estimated the costs of UNIIMOG to be $3,475,000 gross ($3,269,000 net) per month from 1 February 1991 onwards, assuming it continued its responsibilities at the current level. Should the Security Council extend the mandate of UNIIMOG beyond 31 January 1991, the General Assembly could authorize the Secretary-General to enter into commitments up to that level subject to the prior concurrence of the Advisory Committee.

7. In its resolution 34/9 C, the General Assembly had approved special arrangements for the United Nations Interim Force in Lebanon (UNIFIL), by which appropriations required in respect of obligations owed to Governments which provided contingents and/or logistic support to the operation, would be retained beyond the period stipulated under financial regulations 4.3 and 4.4 of article IV of the Financial Regulations of the United Nations. In paragraph 30 of his report, the Secretary-General proposed that the standing decision, as contained in that resolution, should be extended and applied to UNIIMOG. The Advisory Committee

(Mr. Mselle)

recommended acceptance of that proposal. In that connection, the Advisory Committee requested that the Secretary-General should formulate and submit to it proposed guidelines for setting limits to the period within which Governments were required to submit their claims.

AGENDA ITEM 131: FINANCING OF THE UNITED NATIONS ANGOLA VERIFICATION MISSION (continued) (A/C.5/45/L.12)

8. Mr. CONMY (Ireland) introduced draft resolution A/C.5/45/L.12 on financing of the United Nations Angola Verification Mission and noted that it contained the figures which had been recommended by the Secretary-General, as amended and approved by the Advisory Committee. He recommended the draft resolution to the Committee for adoption by consensus.

9. Draft resolution A/C.5/45/L.12 was adopted without a vote.

AGENDA ITEM 127: UNITED NATIONS COMMON SYSTEM (continued)

Draft resolution A/C.5/45/L.16

10. Mr. DUHALT (Mexico) introduced draft resolution A/C.5/45/L.16, which had been the subject of intensive consultations and reflected a compromise on the issues dealt with in the 1990 report of the International Civil Service Commission. He wished to thank the members of the Fifth Committee for the spirit of co-operation and understanding which had prevailed during the consultations. The flexibility shown by many delegations during the complicated negotiations was greatly appreciated. He also wished to thank the Secretariat of the United Nations, the secretariat of ICSC and the Advisory Committee for their role in ensuring a successful outcome of the informal consultations.

11. Mr. CISS (Assistant Secretary-General for Human Resources Management) said that the Statute of ICSC and the Staff Regulations of the United Nations unambiguously conferred on the Secretary-General the authority to fix salary scales for General Service staff at the various locations. The Secretary-General exercised that authority after taking all factors into consideration, including a salary survey undertaken by ICSC.

12. Most recently, in July 1990, at the end of a long process, and having given the matter serious consideration in all respects, the Secretary-General had decided to adapt and promulgate scales for the General Service in New York based on those which had been recommended by ICSC, as provided for in its Statute. In so doing, he had exercised the judgement, responsibility and authority of his office.

13. In the preamble of section XIII the draft resolution expressed the Committee's appreciation of those managerial considerations. However, in the operative paragraphs of that section, the Committee was, in effect, invited to substitute its discretionary judgement for that of the Secretary-General. The Secretary-General believed that such a course of action would be unfortunate and could raise serious

issues of principle. Certain issues could also lead to protracted and expensive litigation, whose outcome in the Administrative Tribunal could not be foreseen with any certainty.

14. Should the General Assembly decide to adopt section XIII of the draft resolution, the Secretary-General would give careful consideration to the requests made to him therein. None the less, he hoped that aspects of it would be reconsidered, even at such a late stage.

Draft resolution A/C.5/45/L.16 was adopted without a vote.

15. Mr. MERIFIELD (Canada) said that the Fifth Committee certainly had a responsibility to take such decisions, but his delegation hoped that, in any future review, greater communication would be maintained with the interested parties. That would be particularly appropriate in view of the fact that the draft resolution expressed satisfaction with the establishment of a more active dialogue between the Commission and representatives of organizations and staff.

16. Mr. HAMEDA (Libyan Arab Jamahiriya) said that although his delegation had joined in the consensus, it had certain reservations with respect to the basis on which the Commission recommended salary increases. Thus far, the Commission had failed to comply with a request to submit statistics or statements on cases of separation from service or rejection of offers of employment as a result of deteriorating conditions of service. On the contrary, many countries, including his own, had proposed competent candidates. If there were any shortcomings in the common system, they had less to do with the salary scale and conditions of service than with the manner in which vacancies were announced and appointments decided.

17. Mr. VISLYKH (Union of Soviet Socialist Republics) said that his delegation also had certain misgivings about appropriateness of adopting such a draft resolution. Although section XIII, paragraph 2 referred to attempts by Member States to realize savings, the representative of the Secretary-General had indicated that, on the contrary, the Organization might incur significant expenditures as a result of claims submitted by staff members to the Administrative Tribunal. In that connection, his delegation wondered why representatives of the Secretariat had not presented their views during informal consultations on the draft resolution. It was difficult to understand why the Office of Legal Affairs had not been notified of the possible legal consequences of such a decision.

18. Mr. Y. G. GUPTA (India), explaining his delegation's position on the draft resolution just adopted, said that despite having joined the consensus, he was disappointed that the Fifth Committee had not been able to agree to the recommendations made by the International Civil Service Commission (ICSC) with regard to the liberalization of the rental subsidy scheme and to reconsideration of the monitoring of the net remuneration margin. At a time when Member States attached great importance to the role of the Organization, the conditions of service and the scale of remuneration of the staff were not keeping pace with

(Mr. Y. G. Gupta, India)

market demands. It was to be hoped that at the next session, the Fifth Committee would be able to reconsider the monitoring of the net remuneration margin in a positive spirit.

19. Mr. MICHALSKI (United States of America), explaining his delegation's position on the draft resolution just adopted, said that he supported the comments made by the representatives of the Libyan Arab Jamahiriya and the Union of Soviet Socialist Republics and felt that the Fifth Committee had taken the right decision.

20. Mr. FONTAINE ORTIZ (Cuba), explaining his delegation's position on the draft resolution just adopted, said that at the current session the Fifth Committee had been working under difficult circumstances, which had led to decisions being taken under pressure. It was dissatisfying to note that the Fifth Committee had again failed to heed the recommendations of ICSC, a body with recognized competence in the matter under consideration. He had particular concerns with regard to section XIII of draft resolution A/C.5/45/L.16. The General Service staff was an extremely important part of the Secretariat; its members received the lowest remuneration, and the decision just adopted meant that their salaries would be frozen, which did not seem particularly wise. It was to be hoped that the decision taken would not prevent the General Assembly from reviewing the question at its next session and adopting any corrective measures which might be necessary.

AGENDA ITEM 120: CURRENT FINANCIAL CRISIS OF THE UNITED NATIONS (continued)

AGENDA ITEM 121: FINANCIAL EMERGENCY OF THE UNITED NATIONS (continued)

Draft resolution A/C.5/45/L.17

21. Mr. Y. G. GUPTA (India), introducing draft resolution A/C.5/45/L.17, drew attention to paragraphs 2 and 4 of section A, which dealt with the current financial crisis, and to paragraphs 4 and 6 of section B, which dealt with the financial emergency of the United Nations. During the informal consultations, some delegations had stated that the consideration of a single draft resolution on the two items did not prejudge any future positions which they might take in the matter. Other delegations had requested that more time should be made available in the future for the consideration of the two items. It was to be hoped that the draft resolution could be adopted without a vote.

22. Draft resolution A/C.5/45/L.17 was adopted without a vote.

AGENDA ITEM 118: PROGRAMME BUDGET FOR THE BIENNIUM 1990-1991 (continued)

First performance report (A/C.5/45/45 and Add.1 and Add.1/Corr.1 and A/45/7/Add.14)

23. The CHAIRMAN suggested that, on the basis of the recommendations of the Advisory Committee, the Fifth Committee should recommend to the General Assembly that it should take note of the first programme performance report of the Secretary-General on the 1990-1991 programme budget and approve the recommendations of the Advisory Committee.

24. Mr. FONTAINE ORTIZ (Cuba) asked whether the Chairman could confirm his understanding that taking note of the report of the Secretary-General did not mean approving it.

25. The CHAIRMAN said that the Cuban representative's understanding was correct. If he heard no objection, he would take it that the Fifth Committee wished to adopt his suggestion.

26. It was so decided.

27. Mr. FONTAINE ORTIZ (Cuba), explaining his delegation's position on the decision just adopted, said that while he had not opposed the decision, he regretted the reference in paragraph 5 of document A/C.5/45/45 to the dispatch of a mission headed by a Personal Representative of the Secretary-General to seek clarification of assistance sought by the Government of Haiti from the United Nations in connection with the holding of free and fair elections. Many delegations, notably those belonging to the Group of Latin American and Caribbean States, did not share the view that such a mission would "contribute to the maintenance of peace and stability in the region". The Group had expressed that opinion directly to the Secretary-General, and it was regrettable that such a statement had been included in the report.

28. Ms. BERENGUER (Brazil), explaining her delegation's position on the decision just adopted, said that she had joined the consensus on the understanding that the Fifth Committee was not taking a position as to the merit of including in the budget any of the expenses referred to in the report.

AGENDA ITEM 117: REVIEW OF THE EFFICIENCY OF THE ADMINISTRATIVE AND FINANCIAL FUNCTIONING OF THE UNITED NATIONS (continued)

Proposed programme budget outline for the biennium 1992-1993 (A/45/369 and A/45/878)

29. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) drew attention to document A/45/369 in which the Secretary-General proposed an outline of preliminary resources to accompany the proposed programme budget for 1992-1993 in the amount of $1,996,100. In accordance with the methodology employed by the Secretary-General, the real rate of growth had been calculated at zero per cent. The Advisory Committee intended to submit in 1991, in the context of the first report on the programme budget for the biennium 1992-1993, detailed observations and proposals with regard to the methodology for preparing the outline. In the mean time, as reflected in paragraph 4 of document A/45/878, the Advisory Committee had sought additional information from the Secretariat on the impact on the proposed outline of decisions which had been or would be taken by the General Assembly.

30. The Advisory Committee had also re-costed the outline using the rates recommended by the Advisory Committee for the revised appropriations for 1990-1991. The effect of re-costing by the Advisory Committee was indicated in paragraph 7 of document A/45/878, which stated that the total preliminary estimate

(Mr. Mselle)

recommended by the Advisory Committee at 1992-1993 rates was $2,462,400. That figure was approximately $97 million lower than it would have been if the exchange rate originally proposed by the Secretary-General had been adopted for re-costing purposes. The Advisory Committee had instead recommended the use of the average rates of exchange in 1990.

31. Paragraph 8 of document A/45/878 dealt with the question of the contingency fund. The Advisory Committee recommended, on the basis of the percentage currently applied for the 1990-1991 budget, that the contingency fund for 1992-1993 should be set at $19 million. The question of the size and operation of the contingency fund would be reviewed in 1991. In the mean time, as indicated in paragraph 8, a balance of $3,218,700 would remain in the contingency fund for 1990-1991 after 31 December 1990.

32. Mr. INOMATA (Japan) said that he concurred with the comments made by the Chairman of the Advisory Committee with regard to the methodology used to calculate growth in real and nominal terms, a question which had been the subject of a lively discussion in many United Nations forums. In his view, a considerable amount of work would be needed in order to define real growth. He had disagreed with the Secretary-General's initial characterization of a one per cent growth rate, in constant dollar terms, as nominal growth; that was one more example of the confusion surrounding the concept of growth. He urged the Advisory Committee and the Secretariat to continue their study of the methodology employed for the programme budget and the outline, including the treatment of non-recurrent costs, so that the concept of growth would be sufficiently transparent to Member States.

33. With regard to paragraph 4 of document A/45/878, he had assumed that the estimate of $15.6 million was a maximum guess.

34. Turning to the question of the size of the contingency fund, he concurred with the recommendation in paragraph 8 of document A/45/878, which provided a sufficient basis for a decision by the Fifth Committee.

35. Mr. LOPEZ (Venezuela) said that he agreed with the comments by the representative of Japan on the methodology for calculating the rate of growth. It was regrettable that the proposed programme budget outline and the comments of the Advisory Committee had been submitted so late in the session, when it was impossible to discuss them in any depth.

36. Mr. ETUKET (Uganda) said that he shared the concerns expressed by the two previous speakers and was dissatisfied with the lack of information concerning the impact of the preliminary estimate of resources on the implementation of all approved programmes and activities. He had hoped that the Secretary-General would be able to provide information on the impact of the zero growth rate. Before the conclusion of the discussion on such an important item, the Secretariat should endeavour to provide further details in that regard.

(Mr. Etuket, Uganda)

37. He also agreed with the comments made concerning the question of methodology. The current methodology required further improvement in order to make it as objective as possible.

38. The CHAIRMAN said that he had requested the representative of Cuba to co-ordinate the preparation of a draft resolution on the item, which would be discussed at a later meeting.

ORGANIZATION OF WORK

39. The CHAIRMAN proposed that in view of the delay in receiving the reports of the Secretary-General and the Advisory Committee on the United Nations Transition Assistance Group (UNTAG), the Committee should defer its consideration of agenda item 132 to its resumed session in early 1991. If he heard no objection, he would take it that the Committee wished to endorse his proposal.

40. It was so decided.

The meeting rose at 1 a.m.